

BEFORE  
THE PUBLIC SERVICE COMMISSION OF  
SOUTH CAROLINA  
DOCKET NO. 94-219-C - ORDER NO. 94-1002<sup>1c</sup>  
SEPTEMBER 23, 1994

IN RE: Application of Rapid Link USA, Inc.	)	
for a Certificate of Convenience and	)	ORDER
Necessity to Provide Intrastate	)	APPROVING
InterLATA Telecommunications	)	CERTIFICATE
Services within the State of South	)	
Carolina.	)	

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of the Application of Rapid Link USA, Inc. (Rapid Link or the Company) requesting a Certificate of Public Convenience and Necessity authorizing it to operate as a reseller of telecommunications services in the State of South Carolina. The Company's Application was filed pursuant to S.C. Code Ann. §58-9-280 (Supp. 1993) and the Regulations of the Public Service Commission of South Carolina.

The Commission's Executive Director instructed Rapid Link to publish, one time, a prepared Notice of Filing in newspapers of general circulation in the affected areas. The purpose of the Notice of Filing was to inform interested parties of Rapid Link's Application and of the manner and time in which to file the appropriate pleadings for participation in the proceeding. Rapid Link complied with this instruction and provided the Commission with proof of publication of the Notice of Filing. Petitions to Intervene were filed by Southern Bell Telephone and Telegraph

Company (Southern Bell) and the South Carolina Department of Consumer Affairs (the Consumer Advocate). Southern Bell subsequently moved to withdraw its Intervention in this Docket and did not participate in the hearing on this matter.

A hearing was commenced on September 6, 1994, at 11:00 a.m., in the Commission's Hearing Room. The Honorable Rudolph Mitchell, Chairman, presided. Frank R. Ellerbe, III, Esquire, appeared on behalf of Rapid Link. Hana Pokorna-Williamson, Esquire, represented the Consumer Advocate, and Gayle B. Nichols, Staff Counsel, represented the Commission Staff.

In support of its Application, Rapid Link presented the testimony of James W. Fitzgerald, President of Rapid Link. Mr. Fitzgerald explained the Company's request for authority to provide interexchange telecommunications services in South Carolina as a non-facilities based reseller. Mr. Fitzgerald described the Company's services, billing, customer services, and marketing procedures. Mr. Fitzgerald made several revisions to Rapid Link's tariff to reflect prior decisions and requirements of this Commission. Hearing Exhibit No. 2.

Mr. Fitzgerald testified that Rapid Link's primary market consists of international companies, such as shipping and import-export companies.

Mr. Fitzgerald testified that Rapid Link is financially able to provide its services on a continuing basis. Further, Mr. Fitzgerald testified that Rapid Link will have sufficient control over its marketing agents, since they will be housed in the Company's office.

After full consideration of the applicable law, the Company's Application, and the evidence presented by the Company, the Consumer Advocate, and the Commission Staff, the Commission hereby issues its findings of fact and conclusions of law:

FINDINGS OF FACT

1. Rapid Link is incorporated under the laws of the State of Georgia, and Rapid Link has received its Certificate of Authority to Transact Business as a Foreign Corporation in the State of South Carolina.

2. Rapid Link operates as a non-facilities based reseller of interexchange services and wishes to do so in South Carolina.

3. Rapid Link has the experience, capability, and financial resources to provide the services as described in its Application.

CONCLUSIONS OF LAW

1. Based on the above findings of fact, the Commission determines that a Certificate of Public Convenience and Necessity should be granted to Rapid Link to provide intrastate interLATA service through the resale of intrastate Wide Area Telecommunications Services (WATS), Message Telecommunications Service (MTS), Foreign Exchange Service, Private Line Service, or any other services authorized for resale by tariffs of carriers approved by the Commission.

2. The Commission adopts a rate design for Rapid Link for its resale services which includes only maximum rate levels for each tariff charge. A rate structure incorporating maximum rate levels with the flexibility for adjustment below the maximum rate levels has been previously adopted by the Commission. In Re:

Application of GTE Sprint Communications Corporation, etc., Order No. 84-622, issued in Docket No. 84-10-C (August 2, 1984).

3. Rapid Link shall not adjust its rates below the approved maximum level without notice to the Commission and to the public. Rapid Link shall file its proposed rate changes, publish its notice of such changes, and file affidavits of publication with the Commission two weeks prior to the effective date of the changes. However, the public notice requirement is waived, and therefore not required, for reductions below the maximum cap in instances which do not affect the general body of subscribers or do not constitute a general rate reduction. In Re: Application of GTE Sprint Communications, etc., Order No. 93-638, issued in Docket No. 84-10-C (July 16, 1993). Any proposed increase in the maximum rate level reflected in the tariff which would be applicable to the general body of the Company's subscribers shall constitute a general ratemaking proceeding and will be treated in accordance with the notice and hearing provisions of S.C. Code Ann. §58-9-540 (Supp. 1993).

4. Rapid Link shall file its revised maximum tariff and an accompanying price list within thirty (30) days of the date of this Order. The revised tariff shall be consistent with the findings of this Order and with the revisions noted in Hearing Exhibit No. 2. Further, the tariff shall be filed with the Commission in a loose-leaf binder.

5. Rapid Link is subject to access charges pursuant to Commission Order No. 86-584, in which the Commission determined that for access purposes resellers should be treated similarly to

facilities-based interexchange carriers.

6. With regard to the Company's resale of service, an end-user should be able to access another interexchange carrier or operator service provider if they so desire.

7. Rapid Link shall resell the services of only those interexchange carriers or LECs authorized to do business in South Carolina by this Commission. If Rapid Link changes underlying carriers, it shall notify the Commission in writing.


8. Rapid Link shall comply with the terms of Order No. 93-462, Order Approving Stipulation and Agreement, in Docket Nos. 92-182-C, 92-183-C, and 92-200-C (June 3, 1993).

9. Rapid Link shall file surveillance reports on a calendar or fiscal year basis with the Commission as required by Order No. 88-178 in Docket No. 87-483-C. The proper form for these reports is indicated on Attachment A.

10. The Motion to Withdraw Intervention filed by Southern Bell is hereby granted.

11. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

  
CHAIRMAN

ATTEST:

  
Executive Director

(SEAL)

DOCKET NO. 94-219-C - ORDER NO. 94-1002  
SEPTEMBER 23, 1994  
ATTACHMENT A

ANNUAL INFORMATION ON SOUTH CAROLINA OPERATIONS  
FOR RESELLERS OF TELECOMMUNICATION SERVICE

(1) SOUTH CAROLINA OPERATING REVENUES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(2) SOUTH CAROLINA OPERATING EXPENSES FOR THE 12 MONTHS ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(3) RATE BASE INVESTMENT IN SOUTH CAROLINA OPERATIONS\* FOR 12 MONTHS  
ENDING DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

\*THIS WOULD INCLUDE GROSS PLANT, ACCUMULATED DEPRECIATION,  
MATERIALS AND SUPPLIES, CASH WORKING CAPITAL, CONSTRUCTION WORK IN  
PROGRESS, ACCUMULATED DEFERRED INCOME TAX, CONTRIBUTIONS IN AID OF  
CONSTRUCTION AND CUSTOMER DEPOSITS.

(4) PARENT'S CAPITAL STRUCTURE\* AT DECEMBER 31 OR FISCAL YEAR ENDING  
\_\_\_\_\_.

\*THIS WOULD INCLUDE ALL LONG TERM DEBT (NOT THE CURRENT PORTION  
PAYABLE), PREFERRED STOCK AND COMMON EQUITY.

(5) PARENT'S EMBEDDED COST PERCENTAGE (%) FOR LONG TERM DEBT AND  
EMBEDDED COST PERCENTAGE (%) FOR PREFERRED STOCK AT YEAR ENDING  
DECEMBER 31 OR FISCAL YEAR ENDING \_\_\_\_\_.

(6) ALL DETAILS ON THE ALLOCATION METHOD USED TO DETERMINE THE  
AMOUNT OF EXPENSES ALLOCATED TO SOUTH CAROLINA OPERATIONS AS WELL  
AS METHOD OF ALLOCATION OF COMPANY'S RATE BASE INVESTMENT (SEE #3  
ABOVE).